

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: IES UTILITIES INC. and INTERSTATE POWER COMPANY	DOCKET NO. SPU-00-10
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**ORDER ACCEPTING FILING, COMMENCING INVESTIGATION,
SETTING PROCEDURAL SCHEDULE AND INTERVENTION DEADLINE,
AND NOTICE OF HEARING**

(Issued July 21, 2000)

On June 14, 2000, IES Utilities Inc. and Interstate Power Company, hereinafter collectively referred to as Applicants, filed with the Utilities Board (Board) a proposal for reorganization pursuant to Iowa Code §§ 476.76 and 476.77 (1999). Applicants are both public utility subsidiaries of Alliant Energy, Inc. Applicants propose that Interstate Power Company will merge into IES Utilities Inc. with the surviving corporation renamed Interstate Power and Light Company. The Board has reviewed Applicants' filing and finds that it substantially complies with the filing requirements contained in 199 IAC 32.4. Therefore, the Board will accept the filing.

Pursuant to Iowa Code § 476.77(2), the proposed merger shall be deemed to have been approved by operation of law unless disapproved by the Board. The statute also provides that the Board shall not disapprove a proposal for reorganization without providing for a hearing, which must be issued no later than 50 days after the proposal for reorganization has been filed. In furtherance of the investigation being conducted by the Board to review the reorganization proposal,

the Board will set a date for hearing and establish a procedural schedule and deadline for intervention.

On July 13, 2000, the Board granted the petition to intervene filed by Equistar Chemicals L.P. and Archer Daniels Midland Company. On July 14, 2000, Applicants and the Consumer Advocate Division of the Department of Justice filed a proposed settlement. In the proposed settlement, Applicants agree to abide by all the terms and conditions of all Board orders issued in Docket No. SPU-96-6, a reorganization docket involving IES Industries Inc., Interstate Power Company, and WPL Holdings, Inc. Applicants also agreed to seek Board approval if certain common equity levels are not maintained.

The Board encourages all parties to file prefiled testimony pursuant to the schedule established. Prefiled testimony is useful to the Board, and other parties, in narrowing and focusing the issues and preparing for cross-examination at hearing. Any prefiled testimony submitted by intervenors should address the proposed settlement as well as other issues intervenors want to bring to the Board's attention. The hearing will deal both with the settlement and any issues raised by intervenors.

IT IS THEREFORE ORDERED:

1. The proposal for reorganization filed by IES Utilities Inc. and Interstate Power Company on June 14, 2000, is accepted as substantially complying with the filing requirements contained in 199 IAC 32.4.
2. The Utilities Board will conduct an investigation, identified as Docket No. SPU-00-10, of the plan of reorganization filed by Applicants.

3. The following procedural schedule is established:
 - a. Requests to intervene shall be filed on or before August 11, 2000.
 - b. Any intervenors shall file prepared direct testimony, with underlying workpapers and exhibits, on or before August 11, 2000. If a party references a data request in its prepared testimony, the data request shall be filed as an exhibit.
 - c. Applicants and Consumer Advocate shall file reply testimony, with underlying workpapers and exhibits, on or before August 18, 2000.
 - d. The parties shall file a joint statement of the issues on or before August 22, 2000.
 - e. A hearing shall be held beginning at 10 a.m. on August 30, 2000, for the purpose of receiving testimony and the cross-examination of all testimony. The hearing shall be held in the Iowa Utilities Board's Hearing Room, 350 Maple Street, Des Moines, Iowa. The parties shall appear one-half hour prior to the time of the hearing for the purpose of marking exhibits. Persons with disabilities requiring assistive services or devices to observe or participate should contact the Utilities Board at (515) 281-5256 in advance of the scheduled date to request that appropriate arrangements be made.
 - f. The parties may file simultaneous briefs on or before September 5, 2000.

4. In the absence of objection, all underlying workpapers shall become a part of the evidentiary record of these proceedings at the time the related testimony and exhibits are entered into the record.

5. In the absence of objection, all data requests and responses referred to in oral testimony or on cross-examination which have not been previously filed shall become a part of the evidentiary record of these proceedings. The party making reference to the data request shall file an original and six copies of the data request and response with the Board at the earliest possible time.

6. In the absence of objection, when the Board has called for further evidence on any issue and the evidence is filed after the close of the hearing, the evidentiary record will be reopened and the evidence will become part of the record five days after the evidence is filed with the Board. All evidence filed pursuant to this paragraph shall be filed no later than three days after the close of the hearing in this proceeding.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.
Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 21st day of July, 2000.